

Wind power can support Utah's school children

As the legislature contemplates strategies for providing funds to support Utah's overcrowded school system, some Utah schools are considering wind power development as a means of generating new funds.

Two Utah schools are considering a provocative opportunity to generate new funding — wind power. The Nebo School District in Utah County is considering the purchase of a wind turbine to generate part of its energy. Six Nebo District schools are in the path of one of the country's best wind resources that potentially could be developed to produce electricity profitably.

With soaring energy prices squeezing tight school budgets, money saved from reduced electricity expenses could be directed toward Nebo's first priority — educating children!

Likewise, the Milford High School in Milford, Utah, is pursuing a similar initiative.

A teacher and his students participated in the Utah Energy Office's anemometer

program and found that the Milford area has good wind resources as well. Should further testing prove that the wind is sufficient for electricity generation, Milford may develop its wind resources on nearby private land, boosting tax revenues that could help support the local school district. These school wind development proposals may seem unusual, but they aren't unprecedented.

In 1993, Spirit Lake Community School District in Iowa received national attention for installing its first wind turbine on school property. Considered outlandish initially, the turbine has generated more than enough electricity for the school and has provided about \$20,000 in annual energy savings. A second larger turbine was added in 2002, and once paid off by 2007, the energy saving is expected to grow to about \$125,000 annually.

Wind is America's fastest-growing energy source. While Utah has significant wind



Cathy L. Hartman
Marketing Professor, USU

resources, see <http://www.wind.utah.gov>, they remain largely untapped. Several other western states, however, including Wyoming, Texas, California, Oregon and Washington are seizing wind power's economic benefits — wind royalties for landowners, construction and utility jobs, and business opportunities for steel, roads, and high-technology services.

Wind development in Utah



EDWIN R. STAFFORD
Marketing Professor, USU

could bring similar economic opportunities. Moreover, wind power could support Utah schools in three significant ways:

- Wind turbines on school property could generate power for schools to lower electricity costs. Surplus power could be sold to the utility grid. Additionally, schools could sell "green tags" — "credits" for generating clean, renewable energy, to utilities and compa-

nies that participate in market-based programs for reducing emissions.

Green tags are compliance accounting devices that companies trade to show that they have supported the production of sufficient quantities of "green energy" to off-set their emissions of "brown energy" from fossil fuels.

Green tag markets are expected to grow in the future.

- Wind parks developed on Utah's School and Institutional Trust Lands could generate lease payments for Utah's permanent school endowment fund. Some trust lands are in locations likely to have developable wind resources.

- Wind development on private land could boost property tax revenues, which are typically paid by wind developers, not landowners, and go to support local schools. The 300 megawatt Stateline Wind Energy Center, straddling the Washington-Oregon border, near Touchet, Wash., not only provides generous lease pay-

ments to eight rural landowners, but also generate approximately \$1.5 million in tax revenues each year.

How can Utah take advantage of wind's opportunities?

Last year, Wyoming's legislature passed a sales tax exemption for equipment used to generate electricity from renewable sources, such as wind turbines, and it has been credited for attracting the new widely-publicized \$143 million wind project near Evanston. The state has determined that the project's long-term economic benefits will far outweigh the short-term loss from the tax exemption, and Utah needs a comparable renewable energy sales tax exemption to be competitive for attracting multi-million dollar wind projects. The proposals from Nebo and Milford provide a glimpse of how wind power could benefit their respective school districts. By passing a sales tax incentive, Utah's legislature could unlock wind power's opportunities for all of Utah's school children.